

Institutional Barrier #5

Lack of Coordination and Transparency in Transmission Planning Process

BPA Lead: Brian Silverstein

Round Table Lead: Hardev Juj

Participants: Ken Canon, Kebede Jimma, Robert Kahn, John Savage

Problem Statement

Lack of transparency in the transmission planning process limits opportunities to deploy non-construction alternatives.

Current Situation

Transmission planning is reactive and fragmented. If loads are forecast to grow, or if generators ask to be connected to the grid, transmission is built to accommodate the “needs.” Information on costs and consequences is not conveyed to generation developers, retail utilities and consumers in a timely manner. Because of this, transmission planners do not know what opportunities reside on the customer side of the meter, or with generation more strategically placed within the grid or distribution system. Resource planning/permitting and transmission planning are performed by concentric circles of organizations with little information transfer. This disconnect, coupled with resource uncertainty, makes good planning extremely difficult, since transmission fixes are location specific. Finally, there is no clear link between beneficiaries and the parties who pay for fixes, removing incentives for least-cost solutions. The end result is that fixes are often late, putting reliability at risk and exposing consumers to higher and more volatile energy costs.

Goal

The desired outcome is better communications to make transmission needs and planning more transparent and more receptive to alternative solutions.

- The region should develop a coordinated transmission plan that addresses needs and impacts on systems of all transmission owners.
- A broader group of stakeholders must be involved in the transmission planning process, including transmission providers, retail utilities, consumers, generation developers, siting agencies and other interested parties.
- Planners need to better understand and disseminate the economic consequences of resource siting choices and load growth. This could be in the form of locational transmission costs (not necessarily Locational Marginal Pricing, or LMP).
- Information is needed far enough in advance so that generation developers, load serving entities and transmission providers can respond with a full menu of choices.

Tasks

1. Engage Stakeholders

Task: Working through an existing forum such as the Northwest Power Pool, begin a regional dialog on the needs and opportunities for regional transmission planning to achieve the goals above.

Who: Hardev Juj, Brian Silverstein
Due Date: Start October, 2003
Dollars: none (internal staffing costs only)
Partners: Utilities, interest groups, developers, state agencies, PUCs, NWPP, SSG-WI.

2. Develop Draft BPA Long-Range Transmission Plan

Task: BPA develops a long-range transmission plan (5 to 10 years) that identifies problem areas, good locations for DSM, DG, DR and preferred siting for large resources. Potential transmission fixes are identified along with associated costs.

Who: Brian Silverstein

Due Date: June, 2004

Dollars: none (internal staffing costs only)

Partners: Retail utilities, interest groups, state agencies.

3. Develop a Region-Wide Transmission Plan That Builds on the BPA Plan

4. Evaluate Response to Region-Wide Transmission Plan and Update Plan – Every Other Year

5. Develop a Framework for “Optioning” Wires and non Wires Fixes to Address the Long Lead Times

6. etc.